



Federal Regulatory Affairs

2300 N St. NW, Suite 710 Washington DC 20037

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December 19, 2011

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th St., S.W.
Washington, D.C. 20554

Re: *A National Broadband Plan for Our Future*, GN Docket No. 09-51; *Establishing Just and Reasonable Rates for Local Exchange Carriers*, WC Docket No. 07-135; *Developing a Unified Inter-carrier Compensation Regime*, CC Docket No. 01-92; *Connect America Fund*, WC Docket No. 10-90; *High Cost Universal Service Support*, WC Docket No. 05-337; *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45

Dear Ms. Dortch:

On December 16, 2011, Kathleen Q. Abernathy, Chief Legal Officer and Executive Vice President, Regulatory and Government Affairs, Frontier Communications, met with Carol Matthey, Deputy Chief, Wireline Competition Bureau.

The participants discussed the Commission's recent Order in the above-referenced dockets,¹ particularly the Phase I CAF component that the Order adopts.² Ms. Abernathy sought to understand the Commission's calculation of and eligible uses for Phase I CAF incremental support taking into account existing build-out commitments that resulted from Frontier's 2010 acquisition of territories from Verizon.³ The participants also discussed the tax implications of the same Phase I support. Ms. Abernathy also sought further understanding of the method of distributing the Phase I support that the Wireline Competition Bureau will be adopting on or before March 31, 2012.⁴

Pursuant to Section 1.1206(b) of the Commission's rules, 47 C.F.R. §1.1206(b), this letter is being filed electronically with your office today.

¹ *In re: Connect America Fund; A National Broadband Plan for Our Future; Establishing Just and Reasonable Rates for Local Exchange Carriers; High-Cost Universal Service Support; Developing a Unified Inter-carrier Compensation Regime; Federal-State Joint Board on Universal Service; Lifeline and Link-up; Universal Service Reform—Mobility Fund*, WC Dkt Nos. 10-90, 07-135, 05-337, 03-109; GN Dkt No. 09-51; CC Dkt. Nos. 01-92; 96-45; WT Dkt. No. 10-208, *Report and Order and Further Notice of Proposed Rulemaking*, FCC 11-161 (Rel. Nov. 18, 2011) ("*USF/ICC Order*").

² *Id.* at §VII(C)(1).

³ *In re: Applications Filed by Frontier Communications Corp. & Verizon Communications Inc. for Assignment or Transfer of Control*, *Memorandum Opinion and Order*, 25 FCC Rcd 5972, 6001 (2010).

⁴ *USF/ICC Order* at ¶¶ 132-136.

Please feel free to contact me with any further questions.

Sincerely,

A handwritten signature in blue ink, reading "Michael Saperstein, Jr." with a stylized flourish at the end.

Michael D. Saperstein, Jr.
Director of Federal Regulatory Affairs
Frontier Communications
(202) 223-6807

cc: Carol Matthey